

Agenda Date: 12/10/01 Agenda Item: IIIA

STATE OF NEW JERSEY

Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST CABLEVISION OF SOUTH PERSEY, INC. FOR A CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE TOWNSHIP OF EGG HARBOR, COUNTY OF ATLANTIC, STATE OF NEW JERSEY DOCKET NO. CE00110919

Stryker, Tams & Dill, Newark, New Jersey, by Janice Manganello, Esq., for the Petitioner.

Township Clerk, Township of Egg Harbor, New Jersey, by Patricia Indrieri, for the Township.

BY THE BOARD:

On April 3, 1975, the Board granted Sammons Communications of New Jersey, Inc. ("Sammons") a Certificate of Approval in Docket No.752C-6078 for the construction, operation and maintenance of a cable television system in the Township of Egg Harbor ("Township"). On October 7, 1991, the Board granted Sammons a Renewal Certificate of Approval for the Township, in Docket No. CE91010120. On March 1, 1996, the Board approved the sale of Sammons to Lenfest Atlantic, Inc. d/b/a Suburban Cable ("Lenfest") in Docket No. CM95080358. On January 18, 2000, the Board approved the merger of Lenfest and Comcast Cable Communications, Inc. in Docket No. CM99110855. On or about September 13, 2000, Lenfest formally changed its name to Comcast Cablevision of South Jersey, Inc. ("Petitioner"). Although the Petitioner's Certificate expired on April 3, 2000, it is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25.

The Petitioner's predecessor filed an application for the renewal of its municipal consent with the Township on May 21, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township, after public hearings, adopted an ordinance granting renewal municipal consent to the Petitioner on September 27, 2000. The Petitioner formally accepted the terms and conditions of the ordinance on October 6, 2000, in accordance with N.J.S.A. 48:5A-24.

On November 22, 2000, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by the Township in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is fifteen years with an automatic renewal provision for a term of five years thereafter pursuant to N.J.S.A. 48: 5A-19 and -25. The Board finds these periods to be of reasonable duration.
- 5. The Township has reserved the right to review the Petitioner's performance with regard to the ordinance. In the event that the Township shall find that the Petitioner has not substantially complied with the material terms and conditions of the ordinance, the Township shall have the right to petition the Board for appropriate administrative action, pursuant to N.J.S.A. 48:5A-47, provided however, that the Township shall first have given the Petitioner written notice of all alleged instances of non-compliance and an opportunity to cure same within 90 days of that notification. If, after such reasonable notice and opportunity to cure, the Petitioner has not cured any such findings of non-compliance, the Township may petition the Board for appropriate administrative action including modification and/or termination of the Certificate of Approval.
- 6. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 35.
- 7. Within 18 months of the issuance of this Certificate, the Petitioner shall upgrade the system. The upgraded system shall be capable of delivering both analog and digital television signals with sufficient bandwidth to deliver a minimum of one hundred programming choices and two-way capability.
- 8. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates, and promptly file any revisions thereto.
- 9. Pursuant to N.J.S.A. 48:5A-26(b), the ordinance specifies a complaint officer. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with N.J.A.C. 14:17-6.5.

- 10. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. Currently, the local office serving this provision is located at 901 West Leeds Avenue, in the City of Absecon.
- 11. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 12. The Petitioner shall provide public, educational, and governmental ("PEG") access services, technical support, training and facilities as described in the application and the municipal consent ordinance.
- 13. Subject to the provisions of the ordinance, the Petitioner shall make available a non-commercial governmental/educational access channel for use by the Township and to the Township's Public School District at no cost. However, the cost and expense of production and program development shall be borne by the parties utilizing the channel. The Petitioner shall only be required to provide limited technical assistance should transmission problems arise.
- 14. At its sole cost, the Petitioner shall install a return path in one municipal building designated by the Township Committee, which shall be capable of live cablecast of public meetings. The Petitioner shall install, at its sole cost, a return path in one school district building designated by the Township Council, which shall be capable of permitting live cablecasting of public events.
- 15. Upon completion of the upgrade, and upon request of the Township, the Petitioner shall provide and maintain channel capacity for a dedicated governmental and educational access channel. An additional access channel shall be provided only when the existing channels reach a programming saturation point as described in the ordinance.
- 16. Within 30 days of the issuance of this Certificate, the Petitioner shall provide the Township with a capital contribution in the amount of \$55,000.00 for the purchase of audio or video production equipment.
- 17. The Petitioner shall provide, upon request of the Township, at no charge, the standard installation and basic monthly service to one outlet to the following: a) Township Hall; b) the police station; c) each public and private school building; and d) each public library, within the Township, provided it is located within 175 feet of the active cable distribution plant.

Based upon these findings, the Board HEREBY CONCLUDES that, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has sufficient financial and technical capacity and meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is HEREBY ISSUED this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Township.

This Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> Section 76.1 <u>et seq</u>. Any modifications to the provisions thereof shall be incorporated into this Certificate. Additionally and more specifically, the Petitioner shall adhere to the technical standards of 47 C.F.R. Part 76, Subpart K.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire April 3, 2015.

DATED:	December 11, 2001	BOARD OF PUBLIC UTILITIES BY:
		(signed)
		CONNIE O. HUGHES PRESIDENT
		(signed)
		FREDERICK F. BUTLER COMMISSIONER
		(signed)
		CAROL J. MURPHY COMMISSIONER

ATTEST:

(signed)

HENRY M. OGDEN ACTING SECRETARY